


BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2001-354-C - ORDER NO. 2002-189
MARCH 15, 23002

IN RE: Application of Advanced Tel, Inc. DBA)
EATEL for a Certificate of Public)
Convenience and Necessity to Provide)
Intrastate Resold Telecommunications)
Services within the State of South Carolina.)

ORDER 

This matter comes before the Public Service Commission of South Carolina (the “Commission”) by way of the Application of Advanced Tel, Inc. d/b/a EATEL (“EATEL” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide intrastate, interexchange telecommunications services within the State of South Carolina on a resale basis. The Company’s Application was filed pursuant to S.C. Code Ann. § 58-9-280 (Supp. 2000), S.C.Code Ann. § 58-9-520 (Supp. 2000) and the rules and regulations of the Public Service Commission of South Carolina.

The Commission’s Executive Director instructed EATEL to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of EATEL’s Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. EATEL complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene were filed.

A hearing was convened on February 7, 2002, at 11:30 a.m. in the Commission's Hearing Room at 101 Executive Center Drive, Columbia, South Carolina. The Honorable William Saunders, Chairman, presided. Faye A. Flowers, Esquire represented EATEL. Jocelyn G. Boyd, Staff Counsel, represented the Commission Staff.

Janet S. Britton, Corporate and Regulatory Counsel, appeared and testified on behalf of the Company. Ms. Britton has a Law Degree and Masters in Business Administration from Louisiana State University. Ms. Britton was previously employed by the Louisiana Public Service Commission for over three years and she has worked with EATEL for four and one-half years. In her current position, Britton handles a variety of legal issues; she handles tariffs, applications and filings to Public Service Commissions. Additionally, Britton monitors regulatory activities in a variety of states and on the federal level.

EATEL is a privately-held corporation. According to the record, presently 100% of the Company's stock is owned by EATELCORP, Inc., the parent company. Ms. Britton testified that EATEL has proven and maintained its capabilities through its operation as an incumbent local exchange company, competitive local exchange company and an interexchange company.

EATEL seeks to offer resold long distance services in South Carolina. The Company does not intend to provide operator services or 900 or 700 number services. Additionally, EATEL does not own any transmission facilities; EATEL will resell long distance service provided by using the facilities of other carriers.

Ms. Britton presented testimony regarding the Company's technical, financial, and managerial qualifications to provide telecommunications services in South Carolina. According to the testimony, EATEL's management team is composed of individuals who have significant experience in business generally and telecommunications specifically. Dan Ahern is the Company's President, and prior to being named President, Ahern worked for four years as the vice president of sales and marketing of EATEL where he played an instrumental role in the 1997 launch of EATEL's wireless product and other services including competitive local exchange service. John D. Scanlan is the Company's Executive President and Vice Chairman. According to the record, John Scanlan began his career at EATEL as a teenager in 1979 and worked through college as an installer, repairman/wireman. In 1989, he was promoted to marketing products manager and in 1994, he was promoted to executive president of EATEL and its subsidiaries. John Scanlan has served in his current position as Executive President and Vice Chairman since 1996.

Arthur Scanlan, II is the Company's Chief Executive Officer and Treasurer. He joined the Company on a full-time basis in May 1984. According to the record, over the years he has held various positions within the Company, and has worked as an installer, repair technician, outside plant engineer, and personnel director. Kevin Dolan is the Company's Vice President and Chief Financial Officer. According to the record, Dolan, prior to joining EATEL in 1995, served as senior vice president and chief financial officer of Cajun Electric Power, Inc. Additionally, the record also reveals that Dolan has over twenty years of diverse financial management experience including strategic

planning, mergers and acquisitions, capital sourcing, debt restructuring, maintaining banking relationships, and risk management. David Butler is the Company's Chief Technology Officer. Butler has over thirty-one years of executive telecommunications experience.

Britton testified that EATEL is financially qualified to provide the proposed services in the Company's application. The testimony reveals that EATEL possesses the financial resources to provide the proposed services in South Carolina. According to Britton, as a reseller, EATEL will not incur the costs of providing facility-based services to serve the South Carolina market. Britton testified that EATEL currently possesses sufficient assets to support the services the Company seeks to provide.

Ms. Britton testified further that EATEL will comply with the tariff filing process established by this Commission for all new or revised service offerings. Further, Britton testified that all applicable billing, payment and collection terms are set forth in the Company's tariff. The testimony also reveals that EATEL will bill its customers directly and customers will receive a monthly invoice.

Britton also testified regarding the Company's handling of customer complaints. According to the testimony, customers may inquire about their bills and other services by writing to the Company's business address. Additionally, according to the testimony, customer service representatives will be available from 7:30 a.m. to 6:30 p.m. (Central Standard Time), Monday through Friday, and 9:00 a.m. to 1:00 p.m. (Central Standard Time) on Saturday. The testimony also reveals that EATEL's repair department is available twenty-four hours a day, seven days a week.

Further, Ms. Britton testified that in accordance with S.C. Code Ann. Section 58-9-280(A)(3) and to the extent required by the Commission, EATEL will participate in the support of universally available telephone service at affordable rates. Moreover, Britton testified that after EATEL obtains a Certificate to provide telecommunications services in South Carolina, the Company will provide economical, efficient, and high quality long distance services.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. EATEL is organized as a corporation under the laws of the State of Louisiana and is authorized to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. EATEL is a provider of long distance services and wishes to provide long distance services in South Carolina.

3. EATEL has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to EATEL to provide resold intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of intrastate Wide Area

Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for EATEL for its resale of interexchange services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. EATEL shall not adjust its interexchange rates below the approved maximum level without notice to the Commission and to the public. EATEL shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for interexchange services reflected in the tariff, which would be applicable to the general body of the Company's subscribers, shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provision of S.C. Code Ann. §58-9-540 (Supp. 2000).

4. If it has not already done so by the date of issuance of this Order, EATEL shall file its revised tariff and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations. Further, EATEL shall file a copy of its Bill Form as required by 26 S.C. Code Ann. Regs. 103-612.2.2 and 103-622.1 with its final Tariff.

5. EATEL is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

6. With regard to EATEL's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. EATEL shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If EATEL changes underlying carriers, it shall notify the Commission in writing.

8. EATEL shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports can be found at the Commission's website at www.psc.state.sc.us/forms. The title of this form is "Annual Information on South Carolina Operations For Interexchange Companies and AOS". Be advised that the Commission's annual report for telecommunication companies requires the filing of intrastate revenues and intrastate expenses.

9. EATEL shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, EATEL shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. EATEL shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the Commission’s website at www.psc.state.sc.us/forms; this form shall be utilized for the provision of this information to the Commission. Further, EATEL shall promptly notify the Commission in writing if the representatives are replaced.

10. With regard to the origination and termination of toll calls within the same LATA, EATEL shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the Federal Communications Commission pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209).

11. EATEL is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

12. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)